

## State Children's Health Insurance Program (CHIP)

- CHIP is a joint federal-state program that provides health coverage to low-income, uninsured children with family income too high to qualify for Medicaid. In federal fiscal year (FY) 2013, CHIP covered 8.1 million children. FY 2013 CHIP spending totaled \$13.2 billion, 69.8 percent paid by the federal government and 30.2 percent by the states and territories.
- CHIP was enacted in 1997. Since then, Congress has extended federal CHIP funding three times, most recently through FY 2017 in the Medicare Access and CHIP Reauthorization Act of 2015 (P.L. 114-10).

### How Does CHIP Work?

CHIP gives states flexibility in designing their programs, determining what benefits are covered, and setting the level of premiums and cost sharing. Under CHIP, states can operate their programs as an expansion of Medicaid, a program entirely separate from Medicaid, or a combination of both approaches.

- 8 states and 5 territories run CHIP entirely as a Medicaid expansion
- 2 states operate CHIP as separate programs
- 41 states operate a combination program

**Benefits.** States with Medicaid-expansion CHIP programs must provide enrollees with the full Medicaid benefit package, including Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services, and must follow Medicaid cost-sharing rules. Separate CHIP programs provide comprehensive health care services based on a benchmark benefit package. Required services include preventive and screening services (including well-child care and immunizations), emergency services, and dental care.

**Cost sharing.** Separate CHIP programs may require premiums and cost sharing, such as copayments and deductibles (although not for preventive services), with a combined limit of 5 percent of income.

- 22 states require monthly premiums averaging \$24 per child, ranging from \$2 to \$76, for families with incomes at 201 percent of the federal poverty level (FPL)
- 11 states require monthly premiums of \$18 per child, ranging from \$3 to \$40, for families at 151 percent FPL
- 28 separate CHIP programs require cost sharing for at least some covered services

**Federal CHIP matching rates.** States receive an enhanced federal match for CHIP.

- In FY 2015, CHIP matching rates range from 65 percent to 81.5 percent
- For FY 2016–2019, the federal CHIP matching rate will increase by 23 percentage points (but not to exceed 100 percent). The federal matching rate for CHIP will range from 88 to 100 percent (Table 1).



## Who is Enrolled in CHIP?

Overall, 8.1 million children were enrolled in CHIP-funded coverage at any point during FY 2013 (Table 2):

- 65.7 percent (5.3 million) were children age 0–18 in separate CHIP programs
- 30.5 percent (2.5 million) were children in Medicaid-expansion CHIP programs
- 3.8 percent (0.3 million) were unborn children in separate CHIP programs

**Enrollment by income.** Income eligibility ranges from 175 percent FPL in North Dakota to 405 percent FPL in New York (Table 2). Of children covered by CHIP in FY 2013:

- 88.8 percent (7.2 million) had family income at or below 200 percent FPL
- 8.6 percent (0.6 million) had income above 200 percent FPL through 250 percent FPL
- 2.6 percent (0.2 million) had income above 250 percent FPL

**Other enrollee characteristics.** Of the children likely to be enrolled in separate CHIP coverage:

- About 70 percent were age 6-17 in 2010-2012 (compared to 57 percent likely to be enrolled in Medicaid)
- Almost 85 percent live in households with one parent working at least 50 weeks of the past year (compared to 63 percent likely to be enrolled in Medicaid)
- 21 percent reside in a non-urban area (compared to 27 percent likely to be enrolled in Medicaid)

**Health status.** Of children likely to be enrolled in CHIP, 24 percent reported having special health care needs (compared to a similar proportion of children likely enrolled in Medicaid and 19 percent of privately insured children). For example, of children likely to be enrolled in CHIP:

- 11.4 percent of those under 17 reported having asthma
- 9.6 percent of those between 3 and 17 reported having a learning disability
- 8.9 percent of those between 2 and 17 reported having ADD or ADHD
- The prevalence of these conditions was lower for privately insured children.

**Health care use.** Children who are likely to be enrolled in separate CHIP programs were more likely than those likely to be eligible for Medicaid to report using certain health care services. For example:

- 90 percent had a medical visit in the past 12 months (compared to 86 percent)
- 87 percent had a preventive medical visit in the past 12 months (compared to 83 percent)
- 21 percent had a specialist visit in the past 12 months (compared to 18 percent)
- 71 percent had a vision screening in the past 2 years (compared to 59 percent)

Notes: Enrollment and spending information are primarily based on FY2013 administrative data reported by states to CMS. Enrollment data include children who ever enrolled during the year. Information on health status and use for children likely to be enrolled in CHIP or Medicaid are based on estimates from the National Survey of Children's Health.



**TABLE 1. Federal Medicaid and CHIP Matching Rates, Fiscal Years 2015 and 2016**

	2015		2016	
State	CHIP	Medicaid	CHIP	Medicaid
All states	Median: 70.8%	Median: 58.3%	Median: 93.8%	Median: 58.2%
Alabama	78.3	69.0	100.0	69.9
Alaska	65.0	50.0	88.0	50.0
Arizona	77.9	68.5	100.0	68.9
Arkansas	79.6	70.9	100.0	70.0
California	65.0	50.0	88.0	50.0
Colorado	65.7	51.0	88.5	50.7
Connecticut	65.0	50.0	88.0	50.0
Delaware	67.5	53.6	91.4	54.8
District of Columbia	79.0	70.0	100.0	70.0
Florida	71.8	59.7	95.5	60.7
Georgia	76.9	66.9	100.0	67.6
Hawaii	66.6	52.2	90.8	54.0
Idaho	80.2	71.8	100.0	71.2
Illinois	65.5	50.8	88.6	50.9
Indiana	76.6	66.5	99.6	66.6
Iowa	68.9	55.5	91.4	54.9
Kansas	69.6	56.6	92.2	56.0
Kentucky	79.0	69.9	100.0	70.3
Louisiana	73.4	62.1	96.5	62.2
Maine	73.3	61.9	96.9	62.7
Maryland	65.0	50.0	88.0	50.0
Massachusetts	65.0	50.0	88.0	50.0
Michigan	75.9	65.5	98.9	65.6
Minnesota	65.0	50.0	88.0	50.0
Mississippi	81.5	73.6	100.0	74.2
Missouri	74.4	63.5	97.3	63.3
Montana	76.1	65.9	98.7	65.2
Nebraska	67.3	53.3	88.8	51.2
Nevada	75.1	64.4	98.5	64.9
Hampshire	65.0	50.0	88.0	50.0
New Jersey	65.0	50.0	88.0	50.0
New Mexico	78.8	69.7	100.0	70.4
New York	65.0	50.0	88.0	50.0

	2015		2016	
State	CHIP	Medicaid	CHIP	Medicaid
North Carolina	76.1	65.9	99.4	66.2
North Dakota	65.0	50.0	88.0	50.0
Ohio	73.9	62.6	96.7	62.5
Oklahoma	73.6	62.3	95.7	61.0
Oregon	74.8	64.1	98.1	64.4
Pennsylvania	66.3	51.8	89.4	52.0
Rhode Island	65.0	50.0	88.3	50.4
South Carolina	79.5	70.6	100.0	71.1
South Dakota	66.2	51.6	89.1	51.6
Tennessee	75.5	65.0	98.5	65.1
Texas	70.6	58.1	93.0	57.1
Utah	79.4	70.6	100.0	70.2
Vermont	67.8	54.0	90.7	53.9
Virginia	65.0	50.0	88.0	50.0
Washington	65.0	50.0	88.0	50.0
West Virginia	80.0	71.4	100.0	71.4
Wisconsin	70.8	58.3	93.8	58.2
Wyoming	65.0	50.0	88.0	50.0

**Note:** The enhanced FMAP determines the federal share of both service and administrative costs for CHIP, subject to the availability of funds from a state's federal allotments for CHIP.

**Source:** Assistant Secretary for Planning and Evaluation (ASPE), U.S. Department of Health and Human Services. *ASPE FMAP reports*. For FY 2016 <http://aspe.hhs.gov/health/reports/2015/FMAP2016/fmap16.cfm> and for FY 2015 <http://aspe.hhs.gov/health/reports/2014/FMAP2015/fmap15.pdf>.

**Table 2.** CHIP Enrollment (FY 2013) and Income Eligibility Levels (2014) by Program Type and State

State	Program type <sup>1</sup> (as of Jan. 1, 2014)					Children in separate CHIP							Total CHIP-funded child enrollment
		Children in Medicaid-Expansion CHIP <sup>1</sup>				Separate CHIP: Age 0–18 <sup>2</sup>				Separate CHIP: Unborn		Total separate CHIP enrollment	
		Infants <1	Age 1–5	Age 6–18	Enrollment	Infants <1	Age 1–5	Age 6–18	Enrollment	Eligibility	Enrollment		
Total	–	–	–	–	2,481,333	–	–	–	5,338,939	–	310,521	5,649,460	8,130,793
Alabama	Separate	– <sup>3</sup>	– <sup>3</sup>	108–146% FPL	–	147–317% FPL	147–317% FPL	147–317% FPL	113,490	–	–	113,490	113,490
Alaska	Medicaid expansion	160–208% FPL	160–208% FPL	125–208	16,566	–	–	–	–	–	–	–	16,566
Arizona	Separate	– <sup>3</sup>	– <sup>3</sup>	105–138	–	153–205	147–205	139–205	80,238	–	–	80,238	80,238
Arkansas	Combination	143–216	143–216	108–216	106,413	–	–	–	–	0–216% FPL	2,888	2,888	109,301
California <sup>4</sup>	Combination	209–266	143–266	109–266	510,424	267–321/416	267–321/416	267–321/416	975,699	0–313	117,160	1,092,859	1,603,283
Colorado <sup>5,6</sup>	Combination	– <sup>3</sup>	– <sup>3</sup>	109–147	–	148–265	148–265	148–265	126,169	–	–	126,169	126,169
Connecticut	Separate	– <sup>3</sup>	– <sup>3</sup>	<sup>3</sup>	–	202–323	202–323	202–323	18,999	–	–	18,999	18,999
Delaware	Combination	195–217	– <sup>3</sup>	111–138	79	–	148–217	139–217	8,535	–	4,566	13,101	13,180
District of Columbia	Medicaid expansion	207–324	147–324	113–324	9,057	–	–	–	–	–	–	–	9,057
Florida	Combination	193–211	– <sup>3</sup>	113–138	1,072	–	146–215	139–215	472,343	–	–	472,343	473,415
Georgia	Separate	– <sup>3</sup>	– <sup>3</sup>	114–138	–	211–252	155–252	139–252	269,906	–	–	269,906	269,906
Hawaii	Medicaid expansion	192–313	140–313	106–313	30,979	–	–	–	–	–	–	–	30,979
Idaho	Combination	– <sup>3</sup>	– <sup>3</sup>	108–138	19,881	148–190	148–190	139–190	25,518	–	–	25,518	45,399

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		Infants <1	Age 1–5	Age 6–18	Enrollment	Infants <1	Age 1–5	Age 6–18	Enrollment	Eligibility	Enrollment		
Illinois	Combination	— <sup>3</sup>	— <sup>3</sup>	109–147	162,134	148–318	148–318	148–318	149,685	0–205	25,278	174,963	337,097
Indiana	Combination	158–213	142–163	107–163	105,655	214–255	164–255	164–255	46,760	—	—	46,760	152,415
Iowa	Combination	241–380	— <sup>3</sup>	123–172	22,159	—	173–307	173–307	61,511	—	—	61,511	83,670
Kansas	Separate	— <sup>3</sup>	— <sup>3</sup>	114–138	—	172–250	155–250	139–250	76,164	—	—	76,164	76,164
Kentucky	Combination	— <sup>3</sup>	143–164	110–164	51,391	201–218	165–218	165–218	32,678	—	—	32,678	84,069
Louisiana	Combination	143–217	143–217	109–217	140,876	218–255	218–255	218–255	4,956	0–205	4,136	9,092	149,968
Maine	Combination	— <sup>3</sup>	141–162	133–162	19,071	197–213	163–213	163–213	10,641	—	—	10,641	29,712
Maryland	Medicaid expansion	195–322	139–322	110–322	135,454	—	—	—	—	—	—	—	135,454
Massachusetts	Combination	186–205	134–155	115–155	69,113	206–305	156–305	156–305	70,735	0–205	8,871	79,606	148,719
Michigan	Combination	— <sup>3</sup>	144–165	110–165	19,229	201–217	166–217	166–217	62,985	0–190	7,456	70,441	89,670
Minnesota	Combination	276–288	— <sup>3</sup>	<sup>3</sup>	91	—	—	—	—	0–283	3,744	3,744	3,835
Mississippi	Separate	— <sup>3</sup>	— <sup>3</sup>	108–138	—	200–214	149–214	139–214	93,120	—	—	93,120	93,120
Missouri	Combination	— <sup>3</sup>	— <sup>3</sup>	111–153	55,017	202–305	154–305	154–305	37,901	—	—	37,901	92,918
Montana <sup>6</sup>	Combination	— <sup>3</sup>	— <sup>3</sup>	110–148	—	149–266	149–266	149–266	31,496	—	—	31,496	31,496
Nebraska	Combination	163–218	148–218	112–218	53,790	—	—	—	—	0–202	1,993	1,993	55,783
Nevada <sup>6</sup>	Combination	— <sup>3</sup>	— <sup>3</sup>	123–138	—	165–205	165–205	139–205	20,277	—	—	20,277	20,277
New Hampshire	Medicaid expansion	197–323	197–323	197–323	19,450	—	—	—	—	—	—	—	19,450

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		Children in Medicaid-Expansion CHIP <sup>1</sup>				Separate CHIP: Age 0–18 <sup>2</sup>				Separate CHIP: Unborn		Total separate CHIP enrollment	
		Infants <1	Age 1–5	Age 6–18	Enrollment	Infants <1	Age 1–5	Age 6–18	Enrollment	Eligibility	Enrollment		
New Jersey	Combination	— <sup>3</sup>	— <sup>3</sup>	108–147	90,512	200–355	148–355	148–355	116,249	—	—	116,249	206,761
New Mexico	Medicaid expansion	201–305	201–305	139–245	9,368	—	—	—	—	—	—	—	9,368
New York <sup>6</sup>	Combination	197–223	— <sup>3</sup>	111–154	—	224–405	155–405	155–405	490,114	—	—	490,114	490,114
North Carolina	Combination	195–215	142–215	108–138	81,656	—	—	139–216	201,916	—	—	201,916	283,572
North Dakota	Combination	— <sup>3</sup>	— <sup>3</sup>	112–138	2,331	153–175	153–175	139–175	8,950	—	—	8,950	11,281
Ohio	Medicaid expansion	142–211	142–211	108–211	286,817	—	—	—	—	—	—	—	286,817
Oklahoma	Combination	170–210	152–210	116–210	140,373	—	—	—	456	0–190	7,082	7,538	147,911
Oregon	Separate	— <sup>3</sup>	— <sup>3</sup>	<sup>3</sup>	—	191–305	139–305	139–305	124,731	0–190	3,330	128,061	128,061
Pennsylvania <sup>7</sup>	Separate	— <sup>3</sup>	— <sup>3</sup>	120–138	—	221–319	163–319	139–319	267,073	—	—	267,073	267,073
Rhode Island	Combination	— <sup>3</sup>	— <sup>3</sup>	110–266	24,508	—	—	—	0	0–258	2,069	2,069	26,577
South Carolina	Medicaid expansion	195–213	144–213	108–213	76,191	—	—	—	—	—	—	—	76,191
South Dakota	Combination	178–187	178–187	125–187	13,357	188–209	188–209	188–209	4,275	—	—	4,275	17,632
Tennessee	Combination	— <sup>3</sup>	— <sup>3</sup>	110–138	22,906	201–255	148–255	139–255	72,695	0–255	10,872	83,567	106,473
Texas	Separate	— <sup>3</sup>	— <sup>3</sup>	101–138	—	204–206	150–206	139–206	939,469	0–205	95,144	1,034,613	1,034,613
Utah	Separate	— <sup>3</sup>	— <sup>3</sup>	106–138	—	145–205	145–205	139–205	63,001	—	—	63,001	63,001
Vermont	Separate	— <sup>3</sup>	— <sup>3</sup>	<sup>3</sup>	—	238–317	237–317	237–317	7,393	—	—	7,393	7,393
Virginia	Combination	— <sup>3</sup>	— <sup>3</sup>	110–148	92,690	149–205	149–205	149–205	104,221	—	—	104,221	196,911

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		Children in Medicaid-Expansion CHIP <sup>1</sup>				Separate CHIP: Age 0–18 <sup>2</sup>				Separate CHIP: Unborn		Total separate CHIP enrollment	
		Infants <1	Age 1–5	Age 6–18	Enrollment	Infants <1	Age 1–5	Age 6–18	Enrollment	Eligibility	Enrollment		
Washington	Separate	— <sup>3</sup>	— <sup>3</sup>	<sup>3</sup>	—	213–305	213–305	213–305	32,139	0–198	11,934	44,073	44,073
West Virginia	Separate	— <sup>3</sup>	— <sup>3</sup>	109–138	—	164–305	147–305	139–305	37,065	—	—	37,065	37,065
Wisconsin	Combination	189–306	— <sup>3</sup>	102–156	92,723	—	192–306	157–306	70,571	0–305	3,998	74,569	167,292
Wyoming	Separate	— <sup>3</sup>	— <sup>3</sup>	120–138	—	160–205	160–205	139–205	8,815	—	—	8,815	8,815

**Notes:** FPL is federal poverty level. FY is fiscal year. Enrollment numbers generally include individuals ever enrolled during the year, even if for a single month; however, in the event individuals were in multiple categories during the year (for example, in Medicaid for the first half of the year but a separate CHIP program for the second half), the individual would only be counted in the most recent category. Enrollment data shown in the table are as of March 4, 2014, the most current enrollment data available; states may subsequently revise their current or historical data.

<sup>1</sup> Under CHIP, states have the option to use an expansion of Medicaid, a separate CHIP program, or a combination of both approaches. However, due to a mandatory income disregard equal to 5 percent FPL that effectively raises Medicaid eligibility levels by 5 percentage points, all states in 2014 are eligible to receive CHIP funding for at least some Medicaid-enrolled children. In addition, beginning in 2014, several states (including those previously considered separate CHIP programs) have Medicaid-expansion CHIP enrollment due to a mandatory transition of 6- to 18-year-olds between 100 and 133 percent FPL from separate CHIP programs to Medicaid; the 16 states with an upper-income level of 138 percent FPL are those that waited until after 2013 to transition these children. For five states (Nevada, North Dakota, South Carolina, Texas, and Utah), the income ranges for children in Medicaid-expansion CHIP do not reflect eligibility for CHIP-financed coverage solely due to the elimination of an asset test in Medicaid after 1997; in these states, affected children at Medicaid income eligibility levels may qualify for CHIP-financed coverage.

<sup>2</sup> Separate CHIP program enrollment in 2014 will likely be lower than shown in this table due to the mandatory transition of 6- to 18-year-olds between 100 and 133 percent of the federal poverty level in separate CHIP programs to Medicaid and the implementation of eligibility determinations using the modified adjusted gross income standard. Both changes took effect January 1, 2014.

<sup>3</sup> Medicaid-expansion CHIP eligibility ranges of 5 percentage points attributable to the mandatory 5 percent disregard are not shown.



<sup>4</sup> During 2013, California transitioned most of its separate CHIP children into a Medicaid-expansion CHIP program. California has a separate CHIP program in three counties that covers children up to 321 percent FPL and in one county up to 416 percent FPL.

<sup>5</sup> Colorado data are from FY 2012.

<sup>6</sup> Montana, Nevada, and New York were combination programs in FY 2013 but did not report any Medicaid-expansion enrollees in the CHIP statistical Enrollment data system (SEDS). Colorado became a combination program in FY 2013 but had not yet reported any SEDS data for that year as of March 4, 2014; as a result, FY 2012 data shown here do not include Medicaid-expansion enrollees.

<sup>7</sup> In Pennsylvania, the transition of 6-18 year olds between 100 and 133 percent FPL from separate CHIP to Medicaid occurred beginning in January 2015. As a result of the transition, current separate CHIP program enrollment will be lower and Medicaid-expansion CHIP enrollment will be higher than is shown in this table.

**Sources:** For numbers of children: MACPAC analysis of CHIP Statistical Enrollment Data System (SEDS) from Centers for Medicare & Medicaid Services (CMS) as of March 4, 2014; MACPAC Report to Congress on Medicaid and CHIP, March 2014.